




**THE CITY OF SAN DIEGO**

**M E M O R A N D U M**

DATE: January 19, 2024  
TO: Distribution  
FROM: Elizabeth Correia, City Treasurer   
SUBJECT: Monthly Investment Report – December 31, 2023

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Attached is the City Treasurer's Monthly Investment Report, which includes three schedules. These investments are in conformance with the City Treasurer's [Investment Policy](#) and are sufficiently liquid to meet the City's expenditure requirements for the next six months as required by California Government Code section 53646(b)(3).

If you have questions, please contact Emmanuel Labrinos, Chief Investment Officer, at (619) 236-6112.

EC/el

**Attachments:**

- I. Schedule I:
  - a. City's pooled investment holdings
  - b. City's pooled investment maturity distribution schedule
  - c. City's pooled investment historical earned income yields and weighted average days to maturity
- II. Schedule II: Pooled Portfolio Position Detail Report
- III. Appendix: Glossary of Investment Terms

**Distribution:**

Honorable Mayor Todd Gloria  
Honorable Mara Elliott, City Attorney  
Honorable Council President Elo-Rivera and Members of the City Council  
Paola Avila, Chief of Staff, Office of the Mayor  
Eric Dargan, Chief Operating Officer  
Charles Modica, Independent Budget Analyst

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Distribution  
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Deborah Higgins, Investment Advisory Committee  
Stefan Meierhofer, Investment Advisory Committee  
Jayson Schmitt, Investment Advisory Committee  
Matt Vespi, Chief Financial Officer and Investment Advisory Committee  
Jyothi Pantulu, Assistant Director, Department of Finance and Investment Advisory Committee

cc: Jessica Lawrence, Director of Policy, Office of the Mayor  
Rolando Charvel, Director, Department of Finance and City Comptroller  
Emmanuel Labrinos, Chief Investment Officer, Office of the City Treasurer  
Nicole LeClair-Miller, Deputy Director, Office of the City Treasurer  
Jeremy Shortess, Principal Accountant, Office of the City Treasurer



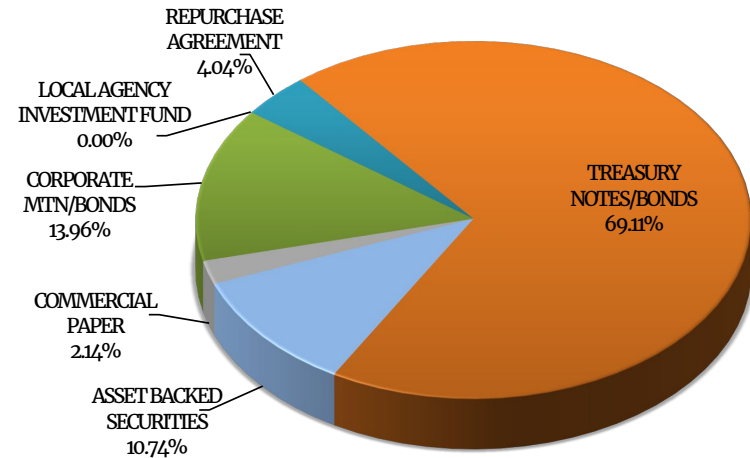
**ASSET ALLOCATION**

Assets (000's)	Current Par Value	Current Book Value	Market Value	Mkt/Book	Yield to Maturity 365
ASSET BACKED SECURITIES	268,194	265,802	265,760	99.98%	4.30%
COMMERCIAL PAPER	53,600	52,875	53,033	100.30%	5.56%
CORPORATE MTN/BONDS	351,488	345,424	348,750	100.96%	4.70%
LOCAL AGENCY INVESTMENT FUND	61	61	61	100.00%	3.15%
REPURCHASE AGREEMENT	100,000	100,000	100,000	100.00%	5.38%
TREASURY NOTES/BONDS	1,712,000	1,709,840	1,689,201	98.79%	3.05%
<b>Totals (000's):</b>	<b>2,485,343</b>	<b>2,474,001</b>	<b>2,456,804</b>	<b>99.30%</b>	<b>3.57%</b>

**Portfolio Breakdown & Statistics**

	Liquidity	Core
Portfolio Size	\$698,914,636	\$1,775,086,237
% of total pool	28.25%	71.75%
Portfolio Duration*	0.64	1.85
Index Duration*	0.27	1.81
% of index	237.55%	102.21%
Weighted Average Days to Maturity	243	833
Earned Income Yield	2.031%	4.065%

\* Macaulay's Duration for Liquidity and Effective Duration for Core.



Pooled Portfolio Composition by Book Value

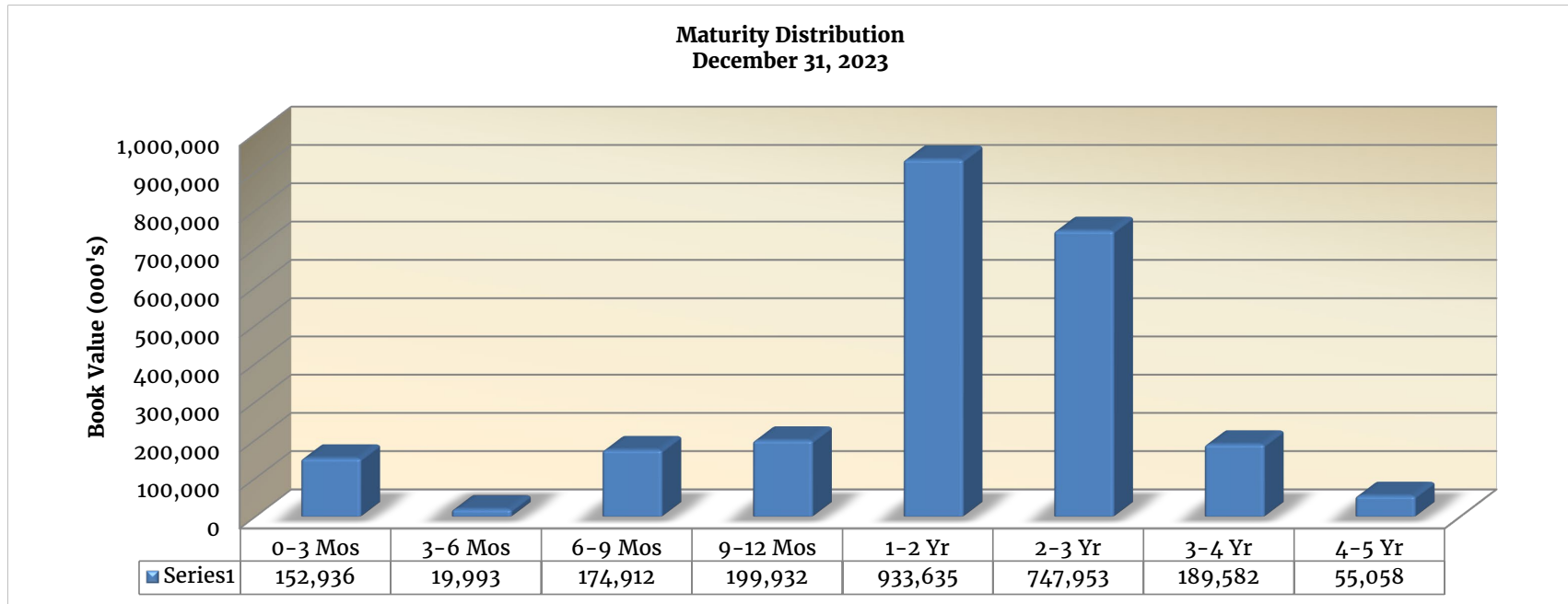
POOLED INVESTMENTS AT DECEMBER 31, 2023 - MATURITY DISTRIBUTION

City of San Diego  
Office of the City Treasurer



**MATURITY DISTRIBUTION**

Current Book Value (000's)	0-3 Mos	3-6 Mos	6-9 Mos	9-12 Mos	1-2 Yr	2-3 Yr	3-4 Yr	4-5 Yr	Totals (000's)
ASSET BACKED SECURITIES					4,499	36,498	169,747	55,058	265,802
COMMERCIAL PAPER	52,875								52,875
CORPORATE MTN/BONDS		19,993			75,335	230,261	19,835		345,424
LOCAL AGENCY INVESTMENT FUND	61								61
REPURCHASE AGREEMENT	100,000								100,000
TREASURY NOTES/BONDS			174,912	199,932	853,801	481,195			1,709,840
<b>Totals (000's):</b>	<b>152,936</b>	<b>19,993</b>	<b>174,912</b>	<b>199,932</b>	<b>933,635</b>	<b>747,953</b>	<b>189,582</b>	<b>55,058</b>	<b>2,474,001</b>
<b>% of Portfolio</b>	<b>6.18%</b>	<b>0.81%</b>	<b>7.07%</b>	<b>8.08%</b>	<b>37.74%</b>	<b>30.23%</b>	<b>7.66%</b>	<b>2.23%</b>	<b>100.00%</b>

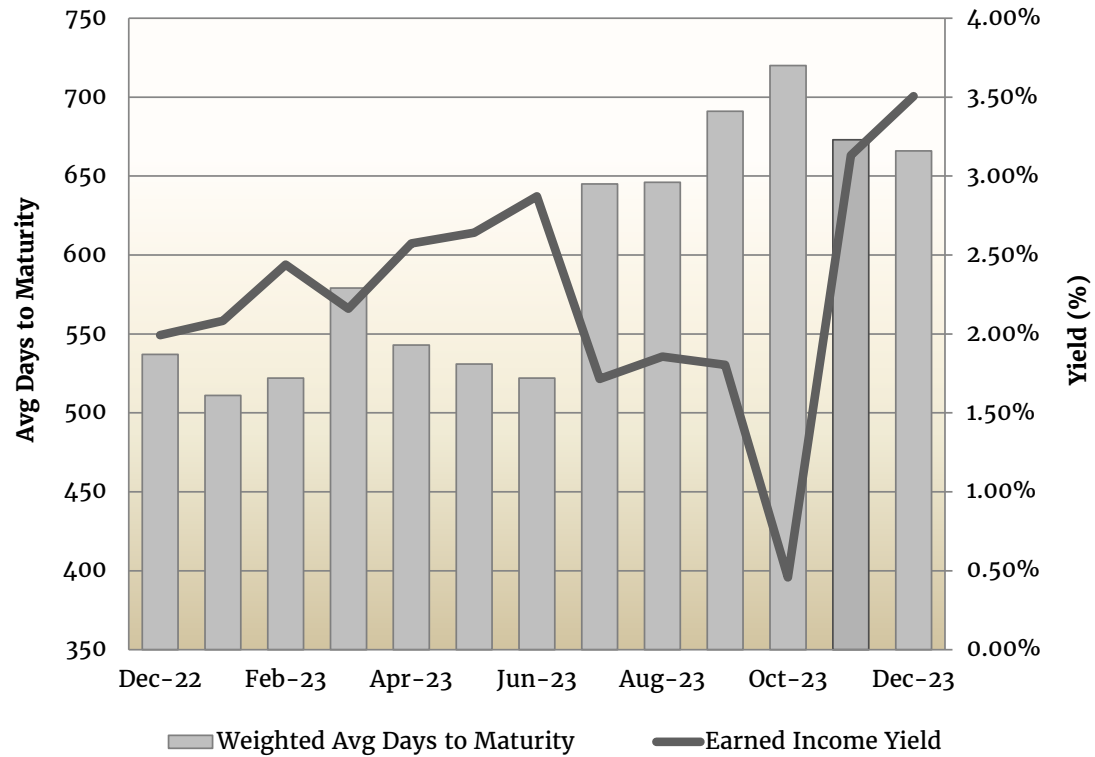




**PORTFOLIO - EARNED INCOME YIELD**

Month	Earned Income Yield	Weighted Avg Days to Maturity
Dec-22	1.99%	537
Jan-23	2.08%	511
Feb-23	2.44%	522
Mar-23	2.16%	579
Apr-23	2.57%	543
May-23	2.64%	531
Jun-23	2.87%	522
Jul-23	1.72%	645
Aug-23	1.86%	646
Sep-23	1.80%	691
Oct-23	0.46%	720
Nov-23	3.13%	673
Dec-23	3.51%	666

Yield and Weighted Average Days to Maturity Trends



POOLED INVESTMENTS AT DECEMBER 31, 2023 - PORTFOLIO POSITION DETAIL



TREASURY NOTES/BONDS	Issuer	CUSIP	Coupon Rate	Yield to Maturity	Modified Duration	Purchase Date	Maturity Date	Current Par Value	Current Book Value	Market Value	Market Price	Price Source
Treasury Notes	UST Note	91282CCL3	0.375	0.346	0.524	7/3/2023	7/15/2024	50,000,000.00	50,015,041.06	48,761,700.00	97.523	ICED
Treasury Notes	UST Note	91282CCT6	0.375	0.397	0.606	7/3/2023	8/15/2024	75,000,000.00	74,981,167.46	72,849,600.00	97.133	ICED
Treasury Notes	UST Note	91282CCX7	0.375	0.526	0.685	8/1/2023	9/15/2024	50,000,000.00	49,915,473.09	48,421,900.00	96.844	ICED
Treasury Notes	UST Note	91282CDB4	0.625	0.759	0.766	9/1/2023	10/15/2024	75,000,000.00	74,887,838.31	72,539,100.00	96.719	ICED
Treasury Notes	UST Note	91282CDH1	0.750	0.749	0.847	10/2/2023	11/15/2024	50,000,000.00	50,000,739.66	48,251,950.00	96.504	ICED
Treasury Notes	UST Note	91282CDN8	1.000	0.948	0.928	11/1/2023	12/15/2024	75,000,000.00	75,043,390.38	72,325,200.00	96.434	ICED
Treasury Notes	UST Note	91282Z52	1.375	1.401	1.046	12/1/2023	1/31/2025	50,000,000.00	50,214,592.48	48,240,250.00	96.481	ICED
Treasury Notes	UST Note	91282CGG0	4.125	4.216	1.027	11/1/2023	1/31/2025	100,000,000.00	100,927,776.02	99,375,000.00	99.375	ICED
Treasury Notes	UST Note	91282CDZ1	1.500	1.638	1.084	3/1/2022	2/15/2025	50,000,000.00	49,800,781.25	48,251,950.00	96.504	ICED
Treasury Notes	UST Note	9128284F4	2.625	2.471	1.198	3/31/2022	3/31/2025	50,000,000.00	50,220,703.13	48,816,400.00	97.633	ICED
Treasury Notes	UST Note	91282CEH0	2.625	2.863	1.238	4/29/2022	4/15/2025	50,000,000.00	49,664,062.50	48,775,400.00	97.551	ICED
Treasury Notes	UST Note	91282CGX3	3.875	4.470	1.272	6/1/2023	4/30/2025	5,000,000.00	4,945,898.44	4,955,080.00	99.102	ICED
Treasury Notes	UST Note	91282CEQ0	2.750	2.753	1.320	5/31/2022	5/15/2025	50,000,000.00	49,996,093.75	48,816,400.00	97.633	ICED
Treasury Notes	UST Note	91282CEU1	2.875	3.036	1.400	7/1/2022	6/15/2025	50,000,000.00	49,773,437.50	48,867,200.00	97.734	ICED
Treasury Notes	UST Note	91282CEY3	3.000	2.843	1.460	8/1/2022	7/15/2025	100,000,000.00	100,441,406.25	97,816,400.00	97.816	ICED
Treasury Notes	UST Note	91282CFE6	3.125	3.444	1.541	9/1/2022	8/15/2025	150,000,000.00	148,664,062.50	147,011,700.00	98.008	ICED
Treasury Notes	UST Note	91282CFP1	4.250	4.320	1.688	12/2/2022	10/15/2025	100,000,000.00	99,808,593.75	99,812,500.00	99.813	ICED
Treasury Notes	UST Note	91282CGA3	4.000	4.238	1.855	1/3/2023	12/15/2025	100,000,000.00	99,343,750.00	99,464,800.00	99.465	ICED
Treasury Notes	UST Note	91282CGL9	4.000	4.511	1.983	3/1/2023	2/15/2026	100,000,000.00	98,597,656.25	99,543,000.00	99.543	ICED
Treasury Notes	UST Note	91282CHM6	4.500	4.528	2.330	8/1/2023	7/15/2026	75,000,000.00	75,097,316.58	75,697,275.00	100.930	ICED
Treasury Notes	UST Note	91282CHU8	4.375	4.566	2.416	9/1/2023	8/15/2026	100,000,000.00	99,678,668.48	100,671,900.00	100.672	ICED
Treasury Notes	UST Note	91282CHY0	4.625	4.786	2.489	10/2/2023	9/15/2026	75,000,000.00	74,830,947.37	76,045,875.00	101.395	ICED
Treasury Notes	UST Note	91282CJX8	4.625	4.465	2.653	12/1/2023	11/15/2026	100,000,000.00	100,640,796.70	101,578,100.00	101.578	ICED
Treasury Notes	UST Note	91282CJP7	4.375	4.040	2.743	12/29/2023	12/15/2026	32,000,000.00	32,349,801.91	32,312,640.00	100.977	MNL
<b>Total</b>	<b>Count 24</b>		<b>2.957</b>	<b>3.054</b>	<b>1.539</b>			<b>1,712,000,000.00</b>	<b>1,709,839,994.82</b>	<b>1,689,201,320.00</b>	<b>98.668</b>	

LOCAL AGENCY INVESTMENT FUND	Issuer	CUSIP	Coupon Rate	Yield to Maturity	Modified Duration	Purchase Date	Maturity Date	Current Par Value	Current Book Value	Market Value	Market Price	Price Source
LAIF	LAIF	SYS49819	3.150	3.150	0.000	3/31/2003	1/1/2024	60,518.64	60,518.64	60,518.64	100.000	BOOK
<b>Total</b>	<b>Count 1</b>		<b>3.150</b>	<b>3.150</b>	<b>0.000</b>			<b>60,518.64</b>	<b>60,518.64</b>	<b>60,518.64</b>	<b>100.000</b>	

ASSET BACKED SECURITIES	Issuer	CUSIP	Coupon Rate	Yield to Maturity	Modified Duration	Purchase Date	Maturity Date	Current Par Value	Current Book Value	Market Value	Market Price	Price Source
Asset Backed Secs	Citibank Credit Card	17305EGW9	5.230	5.237	1.817	12/11/2023	12/8/2025	4,500,000.00	4,499,435.70	4,533,565.50	100.746	ICED
Asset Backed Secs	Capital One	14041NFW6	0.550	0.552	1.296	7/22/2021	7/15/2026	27,000,000.00	26,998,906.50	26,299,917.00	97.407	ICED
Asset Backed Secs	Bank of America Credit Card	05522RDH8	4.980	5.107	2.664	12/14/2023	11/15/2026	9,500,000.00	9,498,724.15	9,598,784.32	101.040	MNL
Asset Backed Secs	Mercedes-Benz Auto Lease	58768RAC4	4.740	4.789	1.458	5/24/2023	1/15/2027	19,000,000.00	18,999,338.80	18,919,630.00	99.577	ICED
Asset Backed Secs	Capital One	14041NGA3	3.490	4.794	1.582	9/30/2022	5/15/2027	25,000,000.00	24,285,156.25	24,531,225.00	98.125	ICED
Asset Backed Secs	American Express Credit	02582JY8	3.390	4.802	1.582	4/20/2023	5/15/2027	25,000,000.00	24,371,093.75	24,488,475.00	97.954	ICED
Asset Backed Secs	American Express Credit	02582JY3	3.750	3.898	1.684	9/12/2022	8/15/2027	27,740,000.00	27,589,380.47	27,267,227.18	98.296	ICED
Asset Backed Secs	Chase Issuance Trust	161571HS6	3.970	4.010	1.721	9/16/2022	9/15/2027	10,000,000.00	9,998,331.00	9,865,110.00	98.651	ICED
Asset Backed Secs	Chase Issuance Trust	161571HS6	3.970	4.417	1.723	2/2/2023	9/15/2027	8,871,000.00	8,776,052.58	8,751,339.08	98.651	ICED
Asset Backed Secs	Chase Issuance Trust	161571HS6	3.970	4.705	1.721	3/31/2023	9/15/2027	24,000,000.00	23,613,476.56	23,676,264.00	98.651	ICED
Asset Backed Secs	American Express Credit	02582JYX9	4.950	5.004	1.752	11/3/2022	10/15/2027	10,000,000.00	9,999,504.00	10,032,360.00	100.324	ICED
Asset Backed Secs	American Express Credit	02582JYX9	4.950	5.185	1.752	11/3/2022	10/15/2027	7,500,000.00	7,469,238.28	7,524,270.00	100.324	ICED
Asset Backed Secs	Bank of America Credit Card	05522RDE5	3.530	4.781	1.786	5/22/2023	11/15/2027	15,000,000.00	14,645,507.81	14,704,965.00	98.033	ICED
Asset Backed Secs	Bank of America Credit Card	05522RDF2	5.000	5.113	1.951	6/21/2023	4/15/2028	20,645,000.00	20,600,645.51	20,764,121.65	100.577	ICED
Asset Backed Secs	Discover Card	254683CZ6	4.930	4.820	2.143	7/20/2023	6/15/2028	21,438,000.00	21,460,610.39	21,601,571.94	100.763	ICED
Asset Backed Secs	Chase Issuance Trust	161571HT4	5.160	5.228	2.162	9/15/2023	9/15/2028	13,000,000.00	12,996,396.40	13,201,058.00	101.547	ICED
<b>Total</b>	<b>Count 16</b>		<b>3.871</b>	<b>4.306</b>	<b>1.744</b>			<b>268,194,000.00</b>	<b>265,801,798.15</b>	<b>265,759,883.67</b>	<b>99.092</b>	

POOLED INVESTMENTS AT DECEMBER 31, 2023 - PORTFOLIO POSITION DETAIL



REPURCHASE AGREEMENT	Issuer	CUSIP	Coupon Rate	Yield to Maturity	Modified Duration	Purchase Date	Maturity Date	Current Par Value	Current Book Value	Market Value	Market Price	Price Source
Repo	JP Morgan Repurchase Agmt	REPO79994	5.310	5.384	0.002	12/28/2023	1/2/2024	100,000,000.00	100,000,000.00	100,000,000.00	100.000	MNL
	<b>Total</b>	<b>Count 1</b>	<b>1.998</b>	<b>2.026</b>	<b>0.001</b>			<b>100,000,000.00</b>	<b>100,000,000.00</b>	<b>100,000,000.00</b>	<b>37.286</b>	
COMMERCIAL PAPER	Issuer	CUSIP	Coupon Rate	Yield to Maturity	Modified Duration	Purchase Date	Maturity Date	Current Par Value	Current Book Value	Market Value	Market Price	Price Source
Commercial Paper	Toyota Motor Credit Corp	89233GCC8	5.410	5.560	0.192	12/13/2023	3/12/2024	53,600,000.00	52,875,060.00	53,032,912.00	98.942	MNL
	<b>Total</b>	<b>Count 1</b>	<b>5.410</b>	<b>5.560</b>	<b>0.192</b>			<b>53,600,000.00</b>	<b>52,875,060.00</b>	<b>53,032,912.00</b>	<b>98.942</b>	
CORPORATE MTN/BONDS	Issuer	CUSIP	Coupon Rate	Yield to Maturity	Modified Duration	Purchase Date	Maturity Date	Current Par Value	Current Book Value	Market Value	Market Price	Price Source
Medium Term Notes	Bank of New York Mellon	06406RAS6	0.500	0.536	0.317	4/3/2023	4/26/2024	15,000,000.00	14,994,323.06	14,760,960.00	98.406	ICED
Medium Term Notes	Amazon	023135BW5	0.450	0.499	0.361	11/1/2023	5/12/2024	5,000,000.00	4,998,715.74	4,911,640.00	98.233	ICED
Medium Term Notes	US BANK NA	903331HPL1	2.050	5.396	1.012	3/17/2023	1/21/2025	10,000,000.00	9,419,700.00	9,663,290.00	96.633	ICED
Medium Term Notes	Toyota Corporation	89236TKC8	3.950	4.511	1.434	9/23/2022	6/30/2025	24,765,000.00	24,405,659.85	24,469,157.31	98.805	ICED
Medium Term Notes	Caterpillar Fncl Service	14913UAB6	5.150	5.156	1.502	8/11/2023	8/11/2025	10,000,000.00	9,998,900.00	10,070,600.00	100.706	ICED
Medium Term Notes	Home Depot	437076CR1	4.000	4.294	1.610	9/23/2022	9/15/2025	11,272,000.00	11,180,245.92	11,167,598.74	99.074	ICED
Medium Term Notes	UnitedHealth Group	91324PEN8	5.150	5.154	1.677	10/28/2022	10/15/2025	7,000,000.00	6,999,370.00	7,076,335.00	101.091	ICED
Medium Term Notes	Visa Inc	92826CAD4	3.150	4.888	1.864	10/26/2022	12/14/2025	14,032,000.00	13,330,820.96	13,690,587.41	97.567	ICED
Medium Term Notes	Caterpillar Fncl Service	14913R3B1	4.800	4.809	1.857	1/6/2023	1/6/2026	15,000,000.00	14,996,250.00	15,085,695.00	100.571	ICED
Medium Term Notes	Apple Corp	037833EB2	0.700	4.651	2.039	9/29/2022	2/8/2026	15,419,000.00	13,544,820.55	14,280,599.81	92.617	ICED
Medium Term Notes	Cisco Systems	17275RBC5	2.950	4.450	2.039	3/23/2023	2/28/2026	20,000,000.00	19,183,600.00	19,361,120.00	96.806	ICED
Medium Term Notes	Deere & Co.	24422EWT2	5.050	4.470	2.010	3/30/2023	3/3/2026	15,000,000.00	15,235,500.00	15,223,410.00	101.489	ICED
Medium Term Notes	PACCAR Inc	69371RS49	4.450	4.474	2.093	3/30/2023	3/30/2026	17,000,000.00	16,988,610.00	16,968,941.00	99.817	ICED
Medium Term Notes	JPMorgan Chase	46625HQW3	3.300	5.519	2.117	5/18/2023	4/1/2026	10,000,000.00	9,647,100.00	9,679,840.00	96.798	ICED
Medium Term Notes	Morgan Stanley	61690U4T4	4.754	4.754	2.141	4/21/2023	4/21/2026	15,000,000.00	15,000,000.00	14,989,890.00	99.933	ICED
Medium Term Notes	Deere & Co.	24422EWX3	4.750	4.771	2.272	6/8/2023	6/8/2026	7,000,000.00	6,995,940.00	7,046,977.00	100.671	ICED
Medium Term Notes	Bristol Myers Squibb	110122CN6	3.200	5.319	2.324	10/2/2023	6/15/2026	10,000,000.00	9,472,500.00	9,702,790.00	97.028	ICED
Medium Term Notes	Bank of America	06051GLA5	4.827	5.050	2.326	5/9/2023	7/22/2026	15,000,000.00	14,901,000.00	14,884,260.00	99.228	ICED
Medium Term Notes	State Street Corp	857477CD3	5.272	5.661	2.349	10/2/2023	8/3/2026	10,000,000.00	9,985,002.22	10,145,310.00	101.453	ICED
Medium Term Notes	Thermo Fisher Scientific	883556CV2	4.953	5.395	2.382	10/2/2023	8/10/2026	10,000,000.00	9,955,343.33	10,134,720.00	101.347	ICED
Medium Term Notes	Home Depot	437076CV2	4.950	5.037	2.537	12/4/2023	9/30/2026	10,000,000.00	9,978,100.00	10,143,240.00	101.432	ICED
Medium Term Notes	JPMorgan Chase	46625HRV4	2.950	4.991	2.577	6/9/2023	10/1/2026	10,000,000.00	9,383,700.00	9,525,690.00	95.257	ICED
Medium Term Notes	Citigroup Inc	17325FBC1	5.488	5.488	2.669	12/4/2023	12/4/2026	25,000,000.00	25,000,000.00	25,449,950.00	101.800	ICED
Medium Term Notes	Thermo Fisher Scientific	883556CZ3	5.000	5.025	2.692	12/5/2023	12/5/2026	10,000,000.00	9,993,100.00	10,150,120.00	101.501	ICED
Medium Term Notes	JPMorgan Chase	48125LRU8	5.110	5.110	2.692	12/8/2023	12/8/2026	20,000,000.00	20,000,000.00	20,179,460.00	100.897	ICED
Medium Term Notes	Bank of America	06051GLE7	5.080	5.401	2.732	6/23/2023	1/20/2027	10,000,000.00	9,896,400.00	9,977,970.00	99.780	ICED
Medium Term Notes	Morgan Stanley	61747YEZ4	5.050	5.311	2.757	7/18/2023	1/28/2027	10,000,000.00	9,938,800.00	10,009,650.00	100.097	ICED
	<b>Total</b>	<b>Count 27</b>	<b>4.047</b>	<b>4.700</b>	<b>2.041</b>			<b>351,488,000.00</b>	<b>345,423,501.63</b>	<b>348,749,801.27</b>	<b>99.221</b>	
<b>Grand Total</b>								<b>2,485,342,518.64</b>	<b>2,474,000,873.24</b>	<b>2,456,804,435.58</b>		



<b>GLOSSARY OF INVESTMENT TERMS</b>
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**ASSET BACKED SECURITIES:** Securities, such as bonds or notes, collateralized by receivables such as credit card or auto loans.

**BOOK VALUE:** The original cost of the investment, plus accrued interest and amortization of any premium or discount.

**CERTIFICATE OF DEPOSIT (CD or NCD):** A deposit of funds at a bank for a specified period of time that earns interest at a specified rate. Commonly known as "CDs" or "negotiable CDs."

**COUPON:** The annual rate at which a bond pays interest.

**CUSIP:** The number identifying all stocks and registered bonds, using the Committee on Uniform Securities Identification Procedures (CUSIP).

**DURATION:** Duration measures the price sensitivity of a bond to changes in interest rates.

(a) **EFFECTIVE DURATION** is a duration calculation for bonds with embedded options. Effective duration takes into account that expected cash flows will fluctuate as interest rates change.

(b) **MACAULAY'S DURATION** is the weighted average maturity of the bond's cash flows, where the present values of the cash flows serves as the weights. The greater the duration of the bond, the greater its percentage price volatility.

**LOCAL AGENCY INVESTMENT FUND (LAIF):** An investment pool sponsored by the State of California and administered/managed by the State Treasurer's Office. Local government units, with consent of the local governing body of that agency, may voluntarily deposit surplus funds for the purpose of investment.

**MARKET VALUE:** The price at which a security is trading and could presumably be purchased or sold.

**MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.

**PAR VALUE:** The amount of principal which must be paid at maturity. Also referred to as the face amount of a bond, normally quoted in \$1,000 increments per bond.

**REPURCHASE AGREEMENT (RP OR REPO):** The purchase of securities, on a temporary basis, with the seller's simultaneous agreement to repurchase the securities at a later date at a specified price that includes interest for the buyer's holding period. In essence, this is a collateralized investment whereby the security "buyer" lends the "seller" money for the period of the agreement.

**SUPRANATIONAL:** An entity formed by two or more central governments through international treaties, for the purpose of promoting economic development for member countries. Two examples of supranational institutions are the International Bank for Reconstruction and Development (World Bank) and the Inter-American Development Bank.

**U. S. GOVERNMENT AGENCY SECURITIES:** Debt securities issued by U. S. Government sponsored enterprises and federally related institutions. These government agencies include: Federal Home Loan Banks (FHLB); Federal Home Loan Mortgage Corporation (FHLMC, or "Freddie Mac"); Federal National Mortgage Association (FNMA, or "Fannie Mae"); Federal Farm Credit Banks (FFCB); and Tennessee Valley Authority (TVA).

**U. S. TREASURY SECURITIES:** Securities issued by the U. S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk, and are the benchmark for interest rates on all other securities in the U.S. and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

**WEIGHTED AVERAGE DAYS TO MATURITY:** The weighted average of the remaining term to maturity of all of the assets in an investment pool or securities portfolio, as expressed in days.

**YIELD:** The rate of annual income return on an investment, expressed as a percentage.

(a) **EARNED INCOME YIELD** is the annual income from an investment divided by the current market value.

(b) **YIELD TO MATURITY** is the rate of return earned on an investment considering all cash flows and timing factors: interest earnings, discounts, and premiums above par.

For additional glossary terms, previous Investment Reports, and City Investment Policy, please visit the Office of the City Treasurer's website at:  
<http://www.sandiego.gov/treasurer/investments/>